

Amendments to the Claims

In response to the Official Action and in accordance with 37 CFR 1.121(c), please enter the following rewritten claims.

Claims 1 -20 (*Canceled*)

21. (*New*) A real-time method of creating a composite digital image within a digital photo device, said digital photo device having a display device integral thereto, said display device at least for displaying previews of digital images, wherein is provided a plurality of user-selectable templates and wherein is provided at least one template compatibility rule, comprising the steps of:
- a. within said digital photo device, choosing two or more templates from among said plurality of templates;
 - b. selecting one or more of said template compatibility rules;
 - c. using said selected template compatibility rules to determine whether said chosen two or more templates are compatible;
 - d. only if said selected templates are determined to be incompatible, requiring another selection according to step (b), else, determining that two or more compatible templates have been selected;
 - e. selecting a subject of said composite digital image;
 - f. simultaneously displaying in real-time a representation of said selected two or more compatible templates together with a representation of said subject on said

- preview display device while a user orients said photo device to include an image of the subject within the template as it appears in said preview display device;
- g. activating said photo device to capture a composite digital image of said subject and said template, thereby creating said composite digital image; and,
- h. storing said composite image on computer readable medium, thereby creating a composite photograph.
22. (New) A method according to Claim 21 wherein one of said provided template compatibility rules contains a pre-defined listing of which of said plurality of templates is incompatible.
23. (New) A method according to Claim 21, wherein at least one of said user-selectable templates is a graphic template, and one of said provided template compatibility rules specifies a maximum permitted proportion of said composite image occupied by one or more of said graphic templates.
24. (New) A real-time method of creating a composite digital image within a digital photo device, said digital photo device having a display device integral thereto, said display device at least for displaying a preview of digital photos to be taken by said digital photo device, wherein is provided a plurality of user-selectable templates, wherein is provided at least one template compatibility rule, comprising the steps of:

- a. within said digital photo device, choosing two or more templates from among said plurality of templates;
- b. selecting one or more of said template compatibility rules;
- c. using said one or more selected template compatibility rules to determine whether said chosen two or more templates are compatible;
- d. if said selected templates are determined to be incompatible, requiring another selection according to steps (a) through (c), else, determining that said chosen two or more templates have been selected, thereby obtaining two or more compatible templates;
- e. combining said two or more compatible templates into a multi-layer template;
- f. selecting a subject of said composite digital image;
- g. simultaneously displaying in real-time a representation of said multi-layer template together with a representation of said subject on said preview display device while a user orients said photo device to include an image of the subject within the multi-layer template as it appears in said preview display device,
- h. activating said photo device to capture a composite digital image of said subject and said multi-layer template; and,
- i. storing said composite image on a computer readable medium, thereby creating said composite digital image.

25. (New) A method according to Claim 24, wherein one of said provided template compatibility rules contains a pre-defined listing of which of said plurality of templates are incompatible.
26. (New) A method according to Claim 24, wherein at least one of said user-selectable templates is a graphic template, and one of said provided template compatibility rules specifies a maximum permitted proportion of said composite image occupied by one or more of said graphic templates.
27. (New) A method according to Claim 24, wherein said selected two or more compatible templates comprise a multi-layer template.
28. (New) A method according to Claim 24, wherein said multi-layer template is a graphic template, wherein said created multi-layer template has a resolution commensurate with a resolution of said digital photo device, and wherein said representation of said created multi-layer template comprises a low-resolution version of said selected at least two or more templates.
29. (New) A method according to Claim 24, further comprising the steps of:
- j. reading said composite image from said medium; and,
 - k. displaying a representation of said composite image on a computer display.

30. (New) A method according to Claim 24, further comprising the step of:
 - j. reading said composite image from said medium; and,
 - k. printing a representation of said composite image on a generally flat medium.
31. (New) A method according to Claim 24, wherein at least a portion of said two or more templates are effect templates.
32. (New) A method according to Claim 31, wherein said effect templates are selected from a group consisting of an image warping template, an image morphing template, an image reversal template, a color substitution template, an edge enhancement template, an image smoothing template, and a posterizing template.
33. (New) A method according to Claim 24, wherein at least a portion of said two or more templates are graphic templates, each of said graphic templates containing at least one transparent region therein, said at least one transparent region being for viewing at least a portion of the subject therethrough.
34. (New) A method according to Claim 24, wherein step (a) comprises the steps of:
 - (a1) within said digital photo device, choosing two or more templates from among said plurality of templates, and,
 - (a2) determining a template priority of said selected two or more templates.

35. (New) A method according to Claim 24, wherein at least one of said compatibility rules utilizes a collision detection algorithm, said collision detection algorithm at least for comparing blank regions of two graphic templates to determine an amount of blank region common to both, and comparing said amount of blank region common to both to a predetermined threshold level.
36. (New) A method according to Claim 24, wherein said digital photo device is selected from a group consisting of a digital camera and a cellular phone.
37. (New) A real-time method of creating a composite digital image within a digital photo device, said digital photo device having a display device integral thereto, said display device at least for displaying previews of digital images taken by said digital photo device, comprising the steps of:
- a. storing a plurality of user-selectable templates within said digital photo device;
 - b. storing at least one template compatibility rule within said digital photo device;
 - c. within said digital photo device, choosing two or more templates from among said plurality of templates;
 - d. using at least one of said at least one template compatibility rules to determine whether said chosen two or more templates are compatible or incompatible;
 - e. if said selected templates are determined to be incompatible, requiring a further selection among said plurality of templates until at least two templates are chosen

that are compatible according to said at least one of said at least one template compatibility rules;

- f. selecting a subject for photographing with said digital photo device;
- g. simultaneously displaying in real-time on said display device a representation of each of said plurality of compatible templates together with a representation of the subject while a user orients said photo device to include an image of the subject within the simultaneously displayed compatible templates;
- h. activating said photo device to capture a digital image of said subject together with said plurality of compatible templates, thereby obtaining a composite digital image; and,
- i. storing said composite image in a compute readable medium, thereby creating a composite photograph.